

REFERENCE TITLE: state highway fund bonds

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HB 2206

Introduced by
Representative Biggs

AN ACT

AMENDING SECTION 28-7510, ARIZONA REVISED STATUTES; RELATING TO STATE HIGHWAY FUND BONDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 28-7510, Arizona Revised Statutes, is amended to
3 read:

4 28-7510. Parity bonds

5 A. The board may issue parity bonds only when all of the payments due
6 on the principal and interest on the outstanding bonds are current.

7 B. The board may not issue parity bonds unless ~~both of the following~~
8 ~~tests are met.~~

9 1. the monies subject to pledge for payment of the bonds for the
10 preceding twelve months exceed by two times the highest annual principal and
11 interest payments on all of the outstanding bonds and the bonds to be issued
12 for the highest one year period during the life of both the outstanding bonds
13 and the bonds to be issued.

14 2. ~~The total principal amount of bonds outstanding, excluding refunded~~
15 ~~bonds, at any one time shall not exceed one billion three hundred million~~
16 ~~dollars, unless the additional amount is authorized by the legislature.~~

17 C. The bonds sought to be issued shall mature and the principal and
18 interest are payable at the same time as bonds then outstanding that have the
19 same priority of lien.

20 D. All bonds issued under this article are deemed to contain the
21 restrictions against issuance of parity bonds contained in this section,
22 whether or not the resolution issuing the bonds or the bonds themselves
23 contain covenants to this effect.

24 E. For purposes of this section, amounts subject to pledge shall be
25 presumptively determined by a certificate of the chairman of the board.

26 F. The pledge of revenues prescribed in section 28-7504, subsection A,
27 paragraphs 1 and 2 is not subject to sections 28-6952 through 28-6955,
28 28-6992, 28-6993 and 28-6995 through 28-7006. The payment of the necessary
29 fees, charges and expenses incurred in the issuance of the bonds and the
30 principal of and interest on the bonds are not subject to section 28-7007 but
31 shall be made in the manner prescribed in the resolution issuing the bonds.